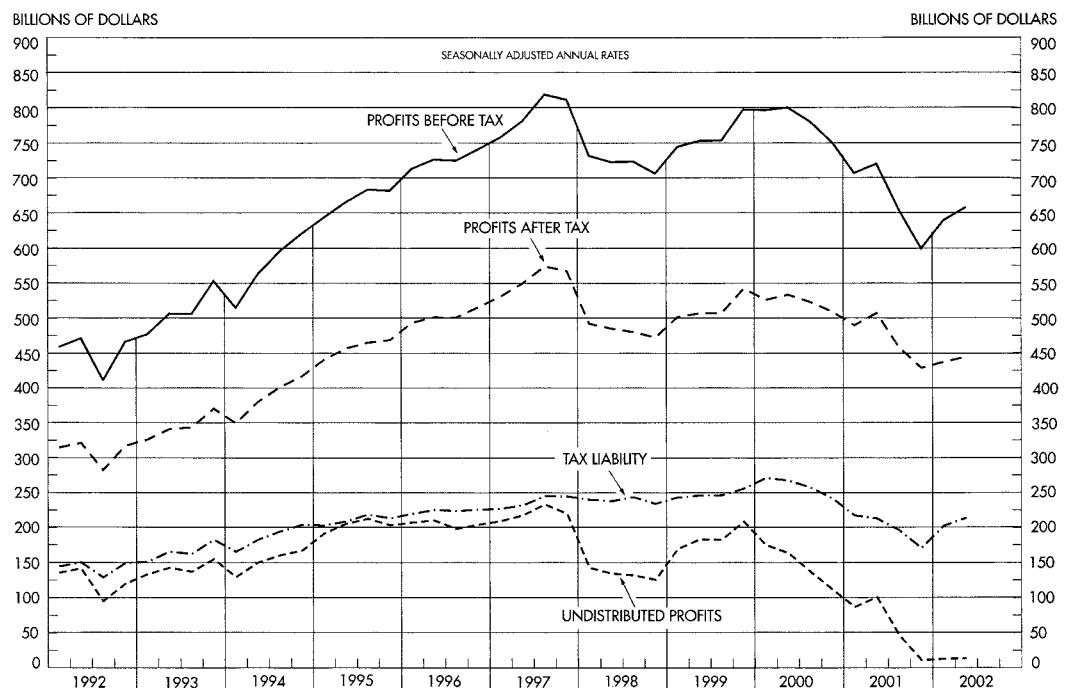


## CORPORATE PROFITS

In the second quarter of 2002, according to current estimates, corporate profits before tax rose \$18.5 billion (annual rate) and profits after tax rose \$7.3 billion.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

| Period                 | Profits (before tax) with inventory valuation adjustment <sup>1</sup> |                     |                |              |       |       |       |       | Profits<br>before<br>tax | Tax<br>liability | Profits after tax |                |                               | Inven-<br>tory<br>valu-<br>ation<br>adjust-<br>ment |  |  |
|------------------------|---|---------------------|----------------|--------------|-------|-------|-------|-------|--------------------------|------------------|-------------------|----------------|-------------------------------|---|--|--|
|                        | Total <sup>2</sup>  | Domestic industries |                |              |       |       |       |       |                          |                  | Total             | Divi-<br>dends | Undis-<br>tributed<br>profits |   |  |  |
|                        |   | Total               | Finan-<br>cial | Nonfinancial |       |       |       |       |                          |                  | Total             | Divi-<br>dends | Undis-<br>tributed<br>profits |   |  |  |
| 1992 .....             | 448.8   | 380.1               | 124.8          | 255.2        | 93.9  | 58.5  | 25.9  | 33.7  | 451.6                    | 143.1            | 308.4             | 185.5          | 122.9                         | -2.8  |  |  |
| 1993 .....             | 506.4   | 429.6               | 127.9          | 301.7        | 108.4 | 69.6  | 28.2  | 39.7  | 510.4                    | 165.4            | 345.0             | 203.1          | 141.9                         | -4.0  |  |  |
| 1994 .....             | 561.0   | 483.7               | 114.7          | 369.0        | 139.6 | 82.9  | 33.1  | 46.6  | 573.4                    | 186.7            | 386.7             | 234.9          | 151.8                         | -12.4   |  |  |
| 1995 .....             | 650.2   | 558.2               | 154.3          | 403.8        | 166.1 | 85.8  | 29.4  | 44.1  | 668.5                    | 211.0            | 457.5             | 254.2          | 203.3                         | -18.3   |  |  |
| 1996 .....             | 729.4   | 628.6               | 165.3          | 463.3        | 181.2 | 91.4  | 42.6  | 52.9  | 726.3                    | 223.6            | 502.7             | 297.7          | 205.0                         | 3.1   |  |  |
| 1997 .....             | 800.8   | 690.2               | 185.7          | 504.5        | 195.2 | 85.0  | 49.2  | 63.9  | 792.4                    | 237.2            | 555.2             | 335.2          | 220.0                         | 8.4   |  |  |
| 1998 .....             | 739.4   | 637.2               | 158.4          | 478.8        | 164.3 | 79.1  | 55.9  | 73.8  | 721.1                    | 238.8            | 482.3             | 348.7          | 133.6                         | 18.3  |  |  |
| 1999 .....             | 757.9   | 637.6               | 181.7          | 455.9        | 157.5 | 57.2  | 54.4  | 75.6  | 762.1                    | 247.8            | 514.3             | 328.4          | 185.9                         | -4.2  |  |  |
| 2000 .....             | 767.3   | 624.0               | 201.0          | 423.0        | 159.8 | 36.6  | 62.1  | 73.4  | 782.3                    | 259.4            | 522.9             | 376.1          | 146.8                         | -15.0   |  |  |
| 2001 .....             | 675.1   | 524.4               | 190.6          | 333.7        | 83.4  | 27.7  | 44.8  | 79.1  | 670.2                    | 199.3            | 470.9             | 409.6          | 61.2                          | 5.0   |  |  |
| 1999: I .....          | 760.5   | 647.1               | 175.1          | 471.9        | 159.1 | 63.9  | 57.4  | 79.4  | 744.4                    | 243.1            | 501.3             | 332.0          | 169.2                         | 16.0  |  |  |
| II .....               | 750.5   | 635.0               | 170.2          | 464.8        | 161.0 | 53.3  | 53.7  | 79.8  | 752.9                    | 246.0            | 506.9             | 323.7          | 183.2                         | -2.5  |  |  |
| III .....              | 739.6   | 624.0               | 183.2          | 440.9        | 155.8 | 53.1  | 50.0  | 71.0  | 753.4                    | 246.3            | 507.1             | 324.3          | 182.8                         | -13.8   |  |  |
| IV .....               | 781.0   | 644.5               | 198.4          | 446.1        | 154.0 | 58.6  | 56.4  | 72.3  | 797.6                    | 255.7            | 542.0             | 333.5          | 208.5                         | -16.6   |  |  |
| 2000: I .....          | 774.3   | 642.7               | 201.7          | 441.0        | 167.6 | 43.6  | 57.3  | 77.7  | 796.9                    | 270.8            | 526.1             | 351.1          | 174.9                         | -22.6   |  |  |
| II .....               | 784.2   | 642.7               | 193.1          | 449.7        | 176.1 | 35.7  | 66.7  | 74.1  | 800.5                    | 267.3            | 533.3             | 369.7          | 163.6                         | -16.4   |  |  |
| III .....              | 772.3   | 626.9               | 204.5          | 422.4        | 160.7 | 34.4  | 67.1  | 74.0  | 780.6                    | 257.4            | 523.2             | 386.1          | 137.1                         | -8.3  |  |  |
| IV .....               | 738.6   | 583.6               | 204.9          | 378.8        | 134.6 | 32.8  | 57.4  | 67.9  | 751.1                    | 241.9            | 509.2             | 397.6          | 111.6                         | -12.5   |  |  |
| 2001: I .....          | 696.9   | 560.8               | 208.2          | 352.6        | 92.3  | 36.6  | 45.2  | 75.7  | 707.0                    | 217.3            | 489.7             | 402.9          | 86.8                          | -10.1   |  |  |
| II .....               | 714.0   | 553.6               | 191.6          | 362.0        | 99.2  | 34.3  | 41.0  | 77.8  | 720.2                    | 213.1            | 507.1             | 406.5          | 100.7                         | -6.2  |  |  |
| III .....              | 663.2   | 521.4               | 162.7          | 358.7        | 91.1  | 33.3  | 45.9  | 82.6  | 654.3                    | 196.2            | 458.1             | 411.4          | 46.7                          | 8.9   |  |  |
| IV .....               | 626.3   | 461.6               | 200.1          | 261.5        | 50.9  | 6.5   | 46.9  | 80.5  | 599.1                    | 170.6            | 428.5             | 417.7          | 10.8                          | 27.2  |  |  |
| 2002: I .....          | 641.3   | 509.3               | 218.2          | 291.1        | 68.9  | 15.0  | 41.2  | 81.4  | 639.4                    | 202.4            | 437.0             | 424.2          | 12.8                          | 1.9   |  |  |
| II .....               | 652.2   | 537.1               | 218.5          | 318.6        | 91.9  | 17.1  | 44.8  | 86.0  | 657.9                    | 213.7            | 444.3             | 430.8          | 13.5                          | -5.7  |  |  |
| III <sup>p</sup> ..... | .....   | .....               | .....          | .....        | ..... | ..... | ..... | ..... | .....                    | .....            | .....             | 437.7          | .....                         | .....   |  |  |

<sup>1</sup> See p. 4 for profits with inventory valuation and capital consumption adjustments.

<sup>2</sup> Includes rest of the world, not shown separately.

<sup>3</sup> Includes industries not shown separately.

<sup>4</sup> Transportation and public utilities.

Source: Department of Commerce, Bureau of Economic Analysis.